

**COPY
FILED**

Attorney or Party Name, Address, Telephone & FAX Numbers, and California State Bar Number LEONARD L. GUMPORT (Bar No. 86935) ALEKSANDRA ZIMONJIC (Bar No. 210252) GUMPORT, REITMAN & MONTGOMERY 550 South Hope Street, Suite 825 Los Angeles, California 90071-2627 Telephone: (213) 452-4900 Facsimile: (213) 623-3302 Attorneys for Christopher R. Barclay, Trustee	FOR COURT USE ONLY 2003 OCT 27 PM 3:04 U.S. BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA JON U. CERETTO, CLERK OF COURT
UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA	
In re: Substantively Consolidated Bankruptcy Estates of MIDLAND EURO EXCHANGE, INC., MIDLAND EURO, INC., MIDLAND GROUP, INC., MOSHE LEICHNER, and ZVI LEICHNER, Debtor(s).	CASE NO.: Bk. No. SV03-13981AG

NOTICE OF SALE OF ESTATE PROPERTY

Sale Date: November 26, 2003	Time: 1:30 p.m.
Location: United States Bankruptcy Court, Crtrm. 302, 21041 Burbank Blvd., Woodland Hills, CA 91367	

Type of Sale: ☒ Public ☐ Private Last date to file objections: November 12, 2003
Description of Property to be Sold: Real property commonly known as 42 Buckskin Road, Bell Canyon, California, 91307.

Terms and Conditions of Sale: See Attachments 1 and 2.

Proposed Sale Price: \$1,160,000

Overbid Procedure (If Any): See Attachment 3.

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing: U.S.B.C.

Contact Person for Potential Bidders (include name, address, telephone, fax and/or e-mail address): Courtroom 302
21041 Burbank Boulevard
Woodland Hills, CA 91367

Aleksandra Zimonjic, Esq.
Gumport, Reitman & Montgomery
550 S. Hope Street, Suite 825
Los Angeles, California 900741
Telephone: 213/452-4900 Facsimile : 213/623-3302

Date: October 27, 2003

ATTACHMENT 1

The sale is: (1) "AS IS" and with no contingencies, representations or warranties by the Trustee other than those expressly set forth in the agreement (the "Agreement") attached as Exhibit 1 to the sale motion (the "Motion") filed by the Trustee on October 24, 2003; (2) free and clear of liens, claims and interests; and (3) on the terms and conditions specified in the Agreement.

The Motion was filed with the Clerk's office of the Bankruptcy Court at the address set forth above. Notice of the Motion is attached as Attachment 2. A copy of the Motion may be obtained at one's own expense by contacting Ms. Tina Corneth of Whitmont Copying, 811 Wilshire Blvd., Suite 950, Los Angeles, CA 90017; telephone: (213) 955-5956.

ATTACHMENT 2

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1 LEONARD L. GUMPORT (Bar No. 86935)
2 ALEKSANDRA ZIMONJIC (Bar No. 210252)
3 GUMPORT, REITMAN & MONTGOMERY
4 550 South Hope Street, Suite 825
5 Los Angeles, California 90071-2627
6 Telephone: (213) 452-4900
7 Facsimile: (213) 623-3302

8 Attorneys for Christopher R. Barclay, Trustee of
9 the Substantively Consolidated Bankruptcy
10 Estates of Midland Euro Exchange, Inc., Midland
11 Euro, Inc., Midland Group, Inc., Moshe Leichner,
12 and Zvi Leichner

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UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
SAN FERNANDO VALLEY DIVISION

In re

Substantively Consolidated Bankruptcy
Estates of MIDLAND EURO
EXCHANGE, INC., MIDLAND
EURO, INC., MIDLAND GROUP,
INC., MOSHE LEICHNER, ZVI
LEICHNER,

Debtors.

Bk. No. SV03-13981AG

[Includes cases previously designated Bk.
Case Nos. SV 03-13982-AG, SV 03-
13986-AG, SV 03-13987, and SV 03-
13989-AG.]

CHAPTER 7

**NOTICE OF MOTION FOR
AUTHORITY TO SELL BUCKSKIN
ROAD PROPERTY FREE AND
CLEAR OF LIENS, CLAIMS AND
INTERESTS**

DATE: November 26, 2003

TIME: 1:30 p.m.

PLACE: Courtroom 302
21041 Burbank Boulevard
Woodland Hills, CA 91367
[Judge Greenwald]

**TO THE DEBTORS, AND TO RACHEL ANN FOWBLE LEICHNER, VERED
LEICHNER, PEGAH TOUFIGHI, THE OFFICE OF THE UNITED STATES
TRUSTEE, CREDITORS, AND OTHER PARTIES IN INTEREST:**

NOTICE IS HEREBY GIVEN that, on the 1:30 p.m. calendar, on November 26,
2003, in Courtroom 302 of the United States Bankruptcy Court, 21041 Burbank Blvd.,
Woodland Hills, California 91367, before the Honorable Arthur Greenwald, United States
Bankruptcy Judge, movant Christopher R. Barclay, chapter 7 trustee ("Trustee") of the
substantively consolidated bankruptcy estates ("Estates") of debtors Midland Euro

1 Exchange, Inc., Midland Euro, Inc., Midland Group, Inc., Moshe Leichner, and Zvi
2 Leichner ("Debtors"), will make a motion ("Motion") for an order that does each of the
3 following:

4 (1) Approves and authorizes, on an "AS-IS" basis and subject to overbid,
5 the Trustee's sale to Pegah Toufighi ("Toufighi") of the real property and improvements
6 thereon located at 42 Buckskin Road, Bell Canyon, California (the "Property") for the sum
7 of \$1,160,000 (the "Purchase Price") on the terms and conditions specified in the
8 "Residential Purchase Agreement and Joint Escrow Instructions" (the "Agreement") and
9 the "The Supplemental Escrow Instructions and General Provisions" jointly attached to the
10 Motion as Exhibit 1.

11 (2) Directs that the Trustee's sale of the Property is free and clear of the
12 following liens, claims and interests (collectively, the "Record Liens") and that those Record
13 Liens shall attach to the sale proceeds received by the Trustee with the same validity and
14 priority that the Record Liens had against the Property prior to its sale by the Trustee. The
15 Record Liens are:

16 (a) the deed of trust in favor of Washington Mutual Bank in the
17 amount of \$750,000, reflected as item no. 16 on page 9 of the title report (the "Title
18 Report") attached as Exhibit 2 to the Motion;

19 (b) the deed of trust in favor of Ariel Glucklich in the amount of
20 \$650,000, reflected as item no. 17 on page 10 of the Title Report; and

21 (c) the deed of trust in favor of Midland Liquidating Trust in the
22 amount of \$75,000,000, reflected as item no. 18 on page 10 of the Title Report; and

23 (3) Directs that, in addition to the Record Liens, the Trustee's sale of the
24 Property is also free and clear of any liens, claims and interests that are not reflected on the
25 Title Report.

26 (4) Determines that the deed of trust in favor of Ariel Glucklich in the
27 amount of \$650,000, and reflected on the Title Report (Ex. 2) is invalid and has been
28 renounced by Mr. Glucklich.

(5) Approves the following overbid procedure on the sale of the Property:

(a) Any overbid must be on the same terms, except for price, as
those set forth in the Agreement;

(b) Any initial overbid for the Property must be made in an amount
not less than \$20,000 greater than the Purchase Price (i.e., the overbid shall be at
least \$1,180,000);

(c) Any initial overbid must be made in writing and must be
delivered to (and received by) the Trustee or his counsel not less than two business
days prior to the hearing on the Motion;

(d) Any initial overbid must be accompanied by the concurrent
delivery to the Trustee of a deposit in the sum of \$34,800 in immediately available
funds along with a financial statement or other financial information, the authenticity
of which is verified under penalty of perjury, sufficient to demonstrate to the Trustee
and the Bankruptcy Court that the proposed overbidder has sufficient financial
resources to complete the sale on the terms specified in the overbid;

1 (e) If the Trustee receives an initial overbid, all subsequent overbids
2 must be made in court at the hearing on the Motion and must be made in minimum
increments of \$10,000;

3 (f) Any sale at overbid will be "AS IS" and with no contingencies
4 to closing by the overbidder or representations or warranties by the Trustee other
than those expressly set forth in the Agreement;

5 (g) Any sale at overbid must close escrow within fifteen days after
6 the order approving such sale is entered by the Bankruptcy Court; and

7 (h) If a successful overbidder fails to timely close escrow through no
8 fault of the Trustee, then the Trustee shall be entitled to retain as liquidated damages
the entire overbid deposit without recourse by such overbidder.

9 (6) Approves each of the terms of the Agreement, authorizes the Trustee to
perform the Agreement, and determines that the Agreement is in the best interests of the
10 Estate, that the sale is made for fair market value and in good faith, and that the buyer is
buying the Property in "good faith" as that term is used in 11 U.S.C. § 363(m), for reasonable
11 value, and on reasonable notice.

12 (7) Authorizes Chicago Title Company to pay from escrow: (a) all costs
specified in the Agreement; (b) the court-approved brokers' aggregate commission of 6.0 %
13 of the gross sale price (consisting of 3.0 % payable to Coldwell Banker and Dilbeck-Gibson
as the Trustee's brokers and 3.0% payable to Coldwell Banker as buyer Toufighi's broker),
14 specified in the Agreement; (c) all property taxes due as of the closing date; and (d) all
amounts due under the Washington Mutual deed of trust recorded against the Property to the
15 extent approved and agreed upon in writing by the Trustee.

16 (8) Authorizes and directs the Trustee to deposit in a segregated account all
proceeds of the sale received by the Trustee from the escrow until all the Record Liens are
17 resolved, either by payment authorized in writing by the Trustee, or pursuant to an order
determining the validity, priority, and amount of the lien; and

18 (9) Determines that adequate notice of the Motion was given.

19 The Motion is made pursuant to 11 U.S.C. §§ 363(b) and 363(f), Federal Rules of
20 Bankruptcy Procedure 2002 and 6004, and Local Bankruptcy Rule 9013-1 on the grounds that
the sale of the Property to Toufighi, or to a qualified overbidder making the highest acceptable
21 bid for the Property, is in the best interests of the Estate.

22 As discussed in the Motion, Toufighi is not a creditor of the Estate and has represented
to the Trustee that Toufighi has no connection with the Debtors.

23 **NOTICE IS FURTHER GIVEN that, as set forth above, the sale of the Property**
24 **to Toufighi is subject to overbid.** As specified in ¶ 5 of this notice, the Trustee will request
that the Court approve and direct that the minimum overbid is \$1,180,000 (i.e., \$20,000 more
25 than the proposed sale price to Toufighi), and that subsequent overbids be in \$10,000
increments. Any person who wishes to qualify as a bidder must deliver to the Trustee's
26 counsel, Aleksandra Zimonjic, Esq., of Gumport, Reitman & Montgomery, 550 S. Hope
Street, Suite 825, Los Angeles, California 90071, (a) a written overbid and a cashier's or bank
27 certified check in the amount of \$34,800 so that it is received by the Trustee's counsel no later
than two business days prior to the hearing on the Motion, and (b) evidence to demonstrate
28 that such bidder is likely to have the financial resources to complete the purchase of the
Property. To facilitate prompt review of any overbid, any overbidder should also provide a

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1 copy of any overbid to the Trustee care of Christopher R. Barclay, Trustee, 4 Hutton Centre
2 Drive, Suite 675, Santa Ana, CA 92707. If qualified overbids are timely received by the
3 Trustee's counsel, then the Court will conduct an auction among the bidders at the date and
time set for the hearing on the Motion.

4 **NOTICE IS FURTHER GIVEN** that the Motion is based upon this Notice of
5 Motion, the concurrently filed Motion, including the attached Memorandum of Points and
6 Authorities, Declarations of Leonard L. Gumport, Christopher R. Barclay, William
7 Friedman, Anngel Benoun, and Aleksandra Zimonjic, and Exhibits, and on all evidence
8 presented before or at the hearing on the Motion. The Motion is filed with Clerk's Office of
the Bankruptcy Court at the address set forth below and is open to public inspection. Any
party wishing to obtain a copy of the Motion may obtain one at the party's own expense by
contacting Ms. Tina Corneth of Whitmont Copying, 811 Wilshire Blvd., Ste. 950,
Los Angeles, CA 90017; tel: (213) 955-5956.

9 **NOTICE IS FURTHER GIVEN** that pursuant to Local Bankruptcy Rule 9013-
10 1(a)(7), any objection to the Motion must be in writing, and must be filed with the Court,
11 and served upon counsel for the Trustee and the Office of the United States Trustee no
later than 14 days before the date set for the hearing at the addresses set forth below and
must include a memorandum of points and authorities and competent evidence in
support of the objection:

12 **For Filing With the Court**

13 Clerk's Office
14 United States Bankruptcy Court
21041 Burbank Boulevard
Woodland Hills, CA 91367

For Service on the Trustee

Christopher R. Barclay, Trustee
c/o Leonard Gumport, Esq.
Gumport, Reitman & Montgomery
550 South Hope Street, Suite 825
Los Angeles, CA 90071


15 **For Service on the Office of the United States Trustee**

16 Jennifer L. Braun, Esq.
17 Office of the U.S. Trustee
21051 Warner Center Lane, Suite 115
Woodland Hills, CA 91367

18 **Pursuant to Local Bankruptcy Rule 9013-1(a)(11), failure to timely file and serve**
19 **an objection to the Motion may be deemed to constitute consent to the relief requested**
20 **herein.**

21 DATED: October 24, 2003

GUMPORT, REITMAN & MONTGOMERY

22 By: 
23 Aleksandra Zimonjic
24 Counsel for Christopher R. Barclay, Trustee
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ATTACHMENT 3

THE OVERBID PROCEDURE

- (a) Any overbid must be on the same terms, except for price, as those set forth in the agreement (the "Agreement"), attached as Exhibit 1 to the motion (the "Motion") for sale of the real property commonly known as 42 Buckskin, Bell Canyon, California, 91307.
- (b) Any initial overbid for the Property must be made in an amount not less than \$20,000 greater than \$1,160,000, (the purchase price), i.e., the overbid shall be at least \$1,180,000;
- (c) Any initial overbid must be made in writing and must be delivered to (and received by) the Trustee or his counsel not less than two business days prior to the hearing on the Motion;
- (d) Any initial overbid must be accompanied by the concurrent delivery to the Trustee of a deposit in the sum of \$34,800 in immediately available funds along with a financial statement or other financial information, the authenticity of which is verified under penalty of perjury, sufficient to demonstrate to the Trustee and the Bankruptcy Court that the proposed overbidder has sufficient financial resources to complete the sale on the terms specified in the overbid;
- (e) If the Trustee receives an initial overbid, all subsequent overbids must be made in court at the hearing on the Motion and must be made in minimum increments of \$10,000;
- (f) Any sale at overbid will be "AS IS" and with no contingencies to closing by the overbidder or representations or warranties by the Trustee other than those expressly set forth in the Agreement;
- (g) Any sale at overbid must close escrow within fifteen days after the order approving such sale is entered by the Bankruptcy Court; and
- (h) If a successful overbidder fails to timely close escrow through no fault of the Trustee, then the Trustee shall be entitled to retain as liquidated damages the entire overbid deposit without recourse by such overbidder.